

pc
DDT PARTNERSHIP
PARTNER
LEASE AGREEMENT

B. M. McLemore, hereinafter called Lessor, and Meramec Specialty Company, or assigns, hereinafter called Lessee, hereby enter into an agreement as follows:

1. For the consideration set out, Lessor does hereby lease a parcel of property and access to same to Lessee for use as a wholesale and/or retail fireworks outlet located and described as follows:

An area measuring approximately 200' X 200' fronting on the south side of Stateline Road and the east side of Highway 301 (Weaver Road) in Desoto County Mississippi as further described in Exhibit "A" attached hereto and made a part hereof.

Lessee shall have the sole and exclusive right to sell and/or advertise fireworks on the leased site. All property within one mile of the above described site which may be owned, leased and/or controlled now or hereafter by Lessor or any parties hereto during the life of this lease may not be used for the sale and/or advertising of fireworks by any party other than Lessee.

2. Occupancy periods shall be from June 10 through July 10 and December 10 through January 10 of each year hereunder. Lessee shall have the right to erect, construct and use temporary buildings, tents, parking lots, lights, signs, etc. which it considers necessary for the successful operation of the retail fireworks outlet. All such buildings, signs, etc. shall be paid for by Lessee and shall be the property of Lessee but may remain on the leased premises between occupancy periods with the approval of Lessor.

3. It is agreed that only legal merchandise shall be sold in accordance with Mississippi State and Local regulatory fireworks laws.

4. Lessee agrees to keep the leased premises occupied by it in a clean and orderly condition free of all debris attributable to the fireworks operation and to maintain all signs and buildings used in selling fireworks in a presentable manner.

5. This lease agreement shall be in full force and effect from this date through July 10, 2015, the end of the lease term.

6. Lessor hereby acknowledges receipt of \$1,000.00 for making this agreement valid through July 10, 1996. For the rights herein conveyed Lessee agrees to pay Lessor the sum of \$1,000.00 annually which will be due on or before December 10 of each year through July 10, 2015, the end of the lease term.

7. Lessor shall have the right to terminate this agreement at any time by giving Lessee 30 days written notice by certified mail of its intention to terminate provided that such termination is not for the purpose of directly benefiting another fireworks wholesaler/retailer. However, even if such termination is made, Lessor shall not cause, permit or allow any fireworks to be sold and/or advertised on the leased property and designated one mile area specified above prior to July 10, 2015, the expiration date of the original term under this lease. Lessee shall have the right to remove any of its property from the leased site during said 30 day notification period.

8. Lessee shall have the right to terminate this agreement at any time by giving Lessor 30 days written notice by certified mail of its intention to terminate. In the event of such termination, all rent paid shall be retained by Lessor and Lessee agrees to remove all of its property from the leased premises during said 30 day notification period.

STATE MS.-DESO TO CO.
FILED

Nov 29 1 37 PM '95

BK 70 PG 185
W.E. DAVIS CH. CLK.

by G. N. Harkins

9. In the event Lessee fails to open and operate a retail outlet, or make use of the leased property, Lessor shall retain all rent paid.

10. Lessee agrees to obtain bodily injury liability and property damage liability insurance coverage to protect Lessor on Lessee's use of the property at Lessee's cost. Lessee agrees to obtain insurance with combined limits of not less than \$1,000,000.00, each occurrence. A certificate or other proof of insurance shall be provided to Lessor each season hereunder during occupancy period.

11. Should Lessee fail to make any payment when due, or fail to perform any other covenant, Lessor may, on 30 days notice by certified mail, providing an opportunity to cure the deficiency, declare this lease terminated. In the event that such termination occurs, Lessor may lease the premises to others for the sale and/or advertising of fireworks.

This agreement shall run with the land and bind and inure to the benefit of the parties, their heirs, successors and assigns.

PC DDT PARTNERSHIP
B. M. McLemore, PARTNER
(LESSOR)

MERAMEC SPECIALTY COMPANY
(LESSEE)

BY: B M McLemore Part

BY: Rahut Carney

DATE: 11-24-95, 1995

DATE: 11/13, 1995

NOTARY ATTACHED

STATE OF ARKANSAS

COUNTY OF CRITTENDEN

I, the undersigned authority, in and for said County and State, hereby certify that ROBERT CASSIDY, whose name is signed to the foregoing agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of this lease agreement, executed the same voluntarily on the day the same bears date.

GIVEN under my hand and seal this 13 day of NOVEMBER, 1995.

Ken T. Bailey
NOTARY PUBLIC

My commission expires:

11/1/99

STATE OF Tennessee

COUNTY OF Shelby

I, the undersigned authority, in and for said County and State, hereby certify that _____, whose name is signed to the foregoing lease agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of this lease agreement, executed the same voluntarily on the day the same bears date.

GIVEN, under my hand and seal this Nov 24 day of November, 1995.

Jackie C. McLemore
NOTARY PUBLIC

My commission expires:

My Commission Expires Mar. 7, 1998

EXHIBIT "A"
DESOTO COUNTY
NOT TO SCALE

